

Senate Study Bill 1065

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL
BY CO=CHAIRPERSON BRUNKHORST)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to tax credit certificates issued by the Iowa
2 capital investment board.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1872XC 81
5 tm/sh/8

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1 1 Section 1. INDUSTRIAL PROCESSING EXEMPTION STUDY
1 2 COMMITTEE. Upon enactment of this Act, the department of
1 3 revenue shall initiate and coordinate the establishment of an
1 4 industrial processing exemption study committee and provide
1 5 staffing assistance to the committee. It is the intent of the
1 6 general assembly that the committee shall include
1 7 representatives of the department of revenue, department of
1 8 management, industrial producers including manufacturers,
1 9 fabricators, printers and publishers, and an association that
1 10 specifically represents business tax issues, and other
1 11 stakeholders.
1 12 The industrial processing exemption under the sales and use
1 13 tax is a significant exemption for business. The committee
1 14 shall study and make legislative and administrative
1 15 recommendations relating to Iowa's processing exemption to
1 16 ensure maximum utilization by Iowa's industries.
1 17 The committee shall study and make recommendations
1 18 regarding all of the following:
1 19 1. The current sales and use tax industrial processing
1 20 exemption.
1 21 2. The corresponding administrative rules, including a
1 22 review and recommendation of an administrative rules process
1 23 relating to the industrial processing exemption prior to
1 24 filing with the administrative rules review committee.
1 25 3. Other states' industrial processing exemptions.
1 26 4. Recommendations for change for issues including
1 27 effectiveness and competitiveness.
1 28 5. Development of additional publications to improve
1 29 compliance.
1 30 The committee shall annually report to the general assembly
1 31 by January 1 of each year through January 1, 2013.
1 32 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
1 33 immediate importance, takes effect upon enactment.
1 34 EXPLANATION
1 35 This bill requires the department of revenue to establish
2 1 and provide staffing for a study committee to study and make
2 2 recommendations relating to the sales tax exemption for
2 3 industrial processing. Membership of this committee would
2 4 include representatives of the departments of revenue and
2 5 management, industrial producers including manufacturers,
2 6 fabricators, printers, and other stakeholders. The committee
2 7 is to report to the general assembly by January 1 of each year
2 8 through January 1, 2013.
2 9 The bill takes effect upon enactment.
2 10 LSB 1889SC 81
2 11 mg:nh/pj/5